- (b) These conflict of interest regulations do not apply to a "government" as defined in 34 CFR 80.3.
- (c) The regulations in §75.525 do not apply to a grantee's procurement contracts. The conflict of interest regulations that cover those procurement contracts are in 34 CFR part 74.

(Authority: 20 U.S.C. 1221e-3 and 3474)

 $[45\ FR\ 22497,\ Apr.\ 3,\ 1980,\ as\ amended\ at\ 64\ FR\ 50391,\ Sept.\ 16,\ 1999]$ 

# § 75.525 Conflict of interest: Participation in a project.

- (a) A grantee may not permit a person to participate in an administrative decision regarding a project if:
- (1) The decision is likely to benefit that person or a member of his or her immediate family; and
  - (2) The person:
  - (i) Is a public official; or
- (ii) Has a family or business relationship with the grantee.
- (b) A grantee may not permit any person participating in the project to use his or her position for a purpose that is—or gives the appearance of being—motivated by a desire for a private financial gain for that person or for others.

(Authority: 20 U.S.C. 1221e-3 and 3474)

## ALLOWABLE COSTS

### § 75.530 General cost principles.

The general principles to be used in determining costs applicable to grants and cost-type contracts under grants are specified at 34 CFR 74.27 (for administration of grants to institutions of higher education, and other non-profit organizations) and 34 CFR 80.22 (for uniform administrative requirements for grants and cooperative agreements to State and local governments).

(Authority: 20 U.S.C. 1221e-3 and 3474)

CROSS REFERENCE: See 34 CFR part 74, Subpart D—After-the-Award Requirements and 34 CFR part 80, Subpart C—Post-Award Requirements.

[64 FR 50391, Sept. 16, 1999]

# § 75.531 Limit on total cost of a project.

A grantee shall insure that the total cost to the Federal Government is not

more than the amount stated in the notification of grant award.

(Authority: 20 U.S.C. 1221e-3 and 3474)

#### § 75.532 Use of funds for religion prohibited.

- (a) No grantee may use its grant to pay for any of the following:
- (1) Religious worship, instruction, or proselytization.
- (2) Equipment or supplies to be used for any of the activities specified in paragraph (a)(1) of this section.
  - (b) [Reserved]

(Authority: 20 U.S.C. 1221e-3 and 3474)

[45 FR 22497, Apr. 3, 1980. Redesignated at 45 FR 77368, Nov. 21, 1980, as amended at 69 FR 31711, June 4, 2004.

## §75.533 Acquisition of real property; construction.

No grantee may use its grant for acquisition of real property or for construction unless specifically permitted by the authorizing statute or implementing regulations for the program.

(Authority: 20 U.S.C. 1221e-3 and 3474)

# § 75.534 Training grants—automatic increases for additional dependents.

The Secretary may increase a grant to cover the cost of additional dependents not specified in the notice of award under §75.235 if—

- (a) Allowances for dependents are authorized by the program statute and are allowable under the grant; and
- (b) Appropriations are available to cover the cost.

(Authority: 20 U.S.C. 1221e-3 and 3474)

[45 FR 22497, Apr. 3, 1980. Redesignated at 45 FR 77368, Nov. 21, 1980, as amended at 57 FR 30339, July 8, 1992]

## INDIRECT COST RATES

## § 75.560 General indirect cost rates; exceptions.

- (a) The differences between direct and indirect costs and the principles for determining the general indirect cost rate that a grantee may use for grants under most programs are specified in the cost principles for—
- (1) Institutions of higher education, at 34 CFR 74.27;
  - (2) Hospitals, at 34 CFR 74.27;